

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of

Petition of the California Public Utilities
Commission for Delegated Authority to
Implement Specialized Transitional Overlays

CC Docket No. 99-200

**VERIZON'S¹ COMMENTS SUPPORTING PETITIONS FOR RECONSIDERATION
OF THE COMMISSION'S SEPTEMBER 9, 2005 ORDER
PERMITTING CALIFORNIA TO IMPLEMENT A SPECIALIZED OVERLAY**

The Federal Communications Commission ("Commission") should grant the petitions for reconsideration filed by Pac-West Telecomm, Inc. ("Pac-West")² and the California Cable & Telecommunications Association ("CCTA").³ The specialized overlay plan proposed by the California Public Utilities Commission ("California PUC") is unworkable, would impede local number portability, and would waste, rather than preserve, valuable numbering resources. The Commission should therefore reconsider and withdraw its *Order*⁴ permitting the California PUC to implement specialized overlays in California.

¹ The Verizon telephone companies ("Verizon") are the companies affiliated with Verizon Communications Inc. that are listed in Attachment A.

² Petition for Reconsideration of Pac-West Telecomm, Inc., CC Docket No. 99-200 (filed Oct. 11, 2005) ("*Pac-West Petition*").

³ Petition of the California Cable & Telecommunications Association for Reconsideration, CC Docket No. 99-200 (filed Oct. 11, 2005) ("*CCTA Petition*").

⁴ See *Petition of the California Public Utilities Commission for Delegated Authority to Implement Specialized Transitional Overlays*, 20 FCC Rcd 14624 (2005) ("*Order*").

When the California PUC petitioned the Commission for permission to implement its proposed service-specific overlay in October 2003, Verizon and every other service provider to submit comments opposed the overlay, citing numerous flaws in the California PUC's proposal.⁵ Opponents of the proposal included service providers from virtually every segment of the telecommunications industry, including incumbent local exchange carriers, competitive local exchange carriers, wireless companies, paging companies, Internet Service Providers ("ISPs"), and Voice over Internet Protocol ("VoIP") providers. The Commission addressed some of the defects in the California PUC's proposal, by denying the California PUC's requests to take back telephone numbers currently used for services to be included in the specialized overlay and to maintain seven-digit dialing indefinitely. *Order* ¶¶ 8, 9. The Commission did, however, authorize the basic approach underlying the California PUC's proposal: a specialized area code overlay that would divide California into north and south regions, each with its own area code or "NPA" dedicated to a specific list of services, including VoIP, fax lines, modem lines, paging services, and other "non-geographic" services. *Order* ¶¶ 4, 7. Other services, however, would continue to be assigned numbers from the existing area code in the applicable rate center. For the same reasons that Verizon and others urged the Commission to deny the California PUC's petition in the first instance, the Commission should grant Pac-West and CCTA's petitions for reconsideration and withdraw its *Order* permitting the overlay.

⁵ See *Opposition of Verizon*, CC Docket No. 99-200 (filed Nov. 17, 2003); see also additional comments filed Nov. 17, 2003 in CC Docket No. 99-200: AT&T; Allied National Paging et al.; California Cable & Telecommunications Association; The California Small LECs; Cellular Telecommunications & Internet Association; j2 Global Communications; MCI; Nextel Communications; OnStar Corporation; SBC Communications; Sprint Corporation; SureWest Telephone; Vonage; see also reply comments filed Dec. 2, 2003 in CC Docket No. 99-200: Reply Comments of AT&T; Reply Comments of California ISP Association, et al.; Reply Comments of California Small LECs; Reply Comments of SureWest; Reply Comments of T-Mobile.

The flaws in the California PUC's service-specific overlay can be grouped into two broad categories: problems related to the California PUC's attempt to draw distinctions between different services that employ telephone numbers, and problems related to rating and routing. *First*, numerous problems arise as a result of the California PUC's attempt to segregate certain services into the overlay area codes. For example, the California PUC's proposal depends on service providers' ability to determine whether a particular customer line will be used for a service that is included in the overlay, or a service that is not. If a customer intended to use a number to support a wireline voice telephone, the customer would receive a number with the existing NPA. But if the customer intended to use the number to support a business facsimile machine or a VoIP line, the customer would be assigned an entirely different number, from the new overlay code. Service providers do not currently track the type of services to be included in the specialized overlay, and therefore have no way of knowing whether a customer will use a particular line for a telephone, a fax machine, or a modem line. Thus, in order to implement the specialized overlay, service providers would have to modify their billing, provisioning, and ordering databases and systems in order to track how different phone numbers are to be used.⁶

The California PUC's proposal also seems to assume that a telephone line would continue to be used for the same purpose over time. To the contrary, customers adapt their telecommunications systems to meet changing communications needs, perhaps moving a line previously used for voice service to a fax machine, or moving a fax line to a modem. Under the California PUC proposal, customers that decided to change how a line is used would have to get

⁶ See, e.g., California Small LECs' Comments at 5; Reply Comments of California ISP Association, et al. at 8; Reply Comments of T-Mobile at 3; AT&T Comments at 13; Vonage Comments at 13-14.

a new telephone number to correspond to the new use of the line, therefore hindering customers' ability to adapt their telecommunications services to their changing needs.⁷

The California PUC's attempt to segregate services into different area codes also impedes one of the Commission's and Congress' key numbering objectives: local number portability. The California PUC's proposal would require certain services, such as VoIP services, to be served out of the overlay area codes. Segregation of different technologies impacts porting when a customer wishes to port a number between services. For example, a wireline or wireless customer may wish to change his or her service to a VoIP provider and may wish to port his or her existing telephone number (from the existing NPA) to the new VoIP account. Similarly, a VoIP customer whose telephone number was issued in the overlay area code may decide to switch to wireline or wireless service, and may wish to port his or her VoIP telephone number (from the overlay NPA) to the new wireline or wireless account. Permitting porting in such situations would muddy any distinctions between the existing and overlay NPAs, and would enable customers to manipulate the system to receive numbers in either the existing NPA or the overlay NPA, according to customer preference. Yet, if the specialized overlay plan would prohibit porting in such situations, carriers would be forced to choose between complying with their federal obligations to provide local number portability or their state obligations to abide by the overlay plan. The California PUC has not explained how, or even if, federal rules regarding number portability between different technologies would be reconciled with the California PUC's specialized overlay.⁸

⁷ See, e.g., Verizon Comments at 4-5; Pac-West Petition at 5-6; California Small LECs' Comments at 6-7, 10-11; Reply Comments of California ISP Association, et al. at 8.

⁸ See, e.g., Pac-West Petition at 4-5; CCTA Petition at 5; California Small LECs' Comments at 10-11; Reply Comments of California ISP Association, et al. at 12; Reply

Second, the California PUC's proposal would substantially disrupt service providers' systems for rating and routing calls. Calls are rated based on the area code and central office code captured in telephone numbers. These numbers provide carriers the information needed to determine how to route particular calls for completion and how to rate calls for intercarrier compensation and retail billing. In a typical all-services overlay, the geographic boundaries for a single overlay NPA line up with the boundaries for a single existing NPA. As a result, the new NPA can be matched up to the existing NPA for routing and rating purposes. Under the California PUC's plan, however, only two overlay codes will cover the entire state, such that each new overlay code will necessarily cover numerous existing NPAs. The overlay NPA therefore will not provide adequate information to route or rate the call, because the NPA will indicate only that the number belongs in the northern half or southern half of the state. Such a system will lead to difficulties for carriers and confusion for customers, many of whom are accustomed to relying on area codes as an indicator of the expected retail charges for a call.⁹

The California PUC's proposed solution for these routing and rating problems would undermine another of the Commission's key numbering objectives: ensuring the efficient use of limited numbering resources. The California PUC proposes to resolve routing and rating difficulties by "matching" each individual thousands blocks in the overlay codes to a particular one of California's 738 rate centers.¹⁰ Thus, every service provider that has customers for the overlay services in a particular rate center, or that hopes to attract such customers, will have to

Comments of T-Mobile at 4; MCI Comments at 3; AT&T Comments at 13; Vonage Comments at 6.

⁹ See, e.g., PacWest Petition at 6-7; California Small LECs' Comments at 8; Reply Comments of California ISP Association at 9.

¹⁰ See, e.g., California PUC Petition at 4; Pac-West Petition at 7; Allied National Paging et al. Comments at 7; Vonage Comments at 11.


have a thousands block from the new overlay code assigned to that rate center. One can expect that many of the thousands blocks would be very lightly used – that many service providers would have only a handful of customers for the specified services in a particular rate center. As a result, most of the numbers in that service provider's assigned thousands block for the rate center would be stranded. The California PUC's proposal would consume two whole NPAs, although many of those numbers would never be used. The California PUC's attempt to resolve the routing and rating problems associated with the specialized overlay would therefore waste, rather than conserve, numbering resources.¹¹

CONCLUSION

For the foregoing reasons, as well as the reasons discussed in Verizon's and other service providers' 2003 comments on the California PUC's petition, the Commission should grant PacWest's and CCTA's petitions for reconsideration and should withdraw its *Order* authorizing the California PUC to implement a specialized overlay.

Respectfully submitted,

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¹¹ See, e.g., Verizon Comments at 5; Sprint Comments at 5; California Small LECs' Comments at 11; Reply Comments of T-Mobile at 13.

THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies participating in this filing are the local exchange carriers affiliated with Verizon Communications Inc. These are:

Contel of the South, Inc. d/b/a Verizon Mid-States
GTE Southwest Incorporated d/b/a Verizon Southwest
Verizon California Inc.
Verizon Delaware Inc.
Verizon Florida Inc.
Verizon Maryland Inc.
Verizon New England Inc.
Verizon New Jersey Inc.
Verizon New York Inc.
Verizon North Inc.
Verizon Northwest Inc.
Verizon Pennsylvania Inc.
Verizon South Inc.
Verizon Virginia Inc.
Verizon Washington, DC Inc.
Verizon West Coast Inc.
Verizon West Virginia Inc.

CERTIFICATE OF SERVICE

I hereby certify that, on this 27th day of January, 2006, copies of the foregoing "Comments" were sent by first class mail, postage prepaid, to the parties listed below.



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